



# PRESS RELEASE

Federal Deposit Insurance Corporation • Each Depositor insured to at least \$250,000

**FOR IMMEDIATE RELEASE**  
**March 5, 2010**

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## **FDIC Creates a New Depository Institution to Assume the Operations of Waterfield Bank, Germantown, Maryland**

Waterfield Bank, Germantown, Maryland, was closed today by the Office of Thrift Supervision, which appointed the Federal Deposit Insurance Corporation (FDIC) as receiver. To protect the insured depositors, the FDIC created Waterfield Bank, FA—a new depository institution chartered by the OTS and insured by the FDIC—to take over the operations of Waterfield Bank. The new institution will remain open until April 5, 2010, to allow depositors access to their insured funds and time to move accounts to other insured institutions.

The bank had one branch location. It also took deposits from customers via the Internet and 38 affinity groups.

At the time of closing, the receiver immediately transferred to Waterfield Bank, FA, all insured deposits of the failed bank, except certificates of deposits (CDs) and individual retirement accounts (IRAs). The FDIC will mail checks directly to customers with CDs and IRAs for the amount of their insured funds, on Monday morning, March 8.

Customers with savings accounts, checking accounts and money market deposit accounts will have access to their insured funds as usual during this transitional period. Banking activities, such as direct deposit, check writing, and ATM and debit card use, will continue as normal for the customers with demand deposit accounts until Waterfield Bank, FA, closes on April 5. At the end of this transition period, the FDIC will mail checks to customers who have not closed their accounts or transferred their funds to another institution.

On-line banking services, including bill pay, will be unavailable for transactions over the weekend; however, these systems will be active by Monday morning, March 8.



Congress created the Federal Deposit Insurance Corporation in 1933 to restore public confidence in the nation's banking system. It promotes the safety and soundness of these institutions by identifying, monitoring and addressing risks to which they are exposed. The FDIC receives no federal tax dollars — insured financial institutions fund its operations.

FDIC press releases and other information are available on the Internet at [www.fdic.gov](http://www.fdic.gov), by subscription electronically (go to [www.fdic.gov/about/subscriptions/index.html](http://www.fdic.gov/about/subscriptions/index.html)) and may also be obtained through the FDIC's Public Information Center (877-275-3342 or 703-562-2200). PR-45-2010

As of December 31, 2009, Waterfield Bank had \$155.6 million in assets and \$156.4 million in deposits. At the time of closing, the amount of deposits exceeding the insurance limits totaled about \$407,000. This amount is an estimate and is likely to change as the FDIC works with customers of Waterfield Bank. The uninsured deposits were not transferred to the newly chartered institution.

Depositors with more than \$250,000 at Waterfield Bank should call the FDIC at (800) 830-4735 to make an appointment to discuss the status of their funds. The phone number will be operational this evening until 11:00 p.m., Eastern Standard Time (EST); on Saturday from 9:00 a.m. to 9:00 p.m., EST; on Sunday from noon to 6:00 p.m., EST; and thereafter from 8:00 a.m. to 8:00 p.m., EST.

Customers who would like more information about today's transaction can call the toll-free number; send an e-mail to [waterfieldbankquestions@fdic.gov](mailto:waterfieldbankquestions@fdic.gov); or visit the FDIC's Web site at: <http://www.fdic.gov/bank/individual/failed/waterfield.html>.

Under the FDI Act, the FDIC may create a new depository institution to ensure that depositors have continued access to their insured funds where no other bank has agreed to assume the insured deposits. This arrangement allows for uninterrupted direct deposits and automated payments from customers' accounts and allows them time to find another institution with which to do business.

The FDIC estimates that the cost to its Deposit Insurance Fund will be \$51.0 million. Waterfield Bank is the 25th bank to fail in the nation this year and the first in Maryland. The last FDIC-insured institution to fail in the state was Bradford Bank, Baltimore, on August 28, 2009.

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